



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: MARCH 3, 2020

FROM: CONSTRUCTION

**SUBJECT: RESOLUTION NO. _____ -
AWARD AND APPROVAL OF CONSTRUCTION CONTRACT
CONTRACTOR: SULLY-MILLER CONTRACTING COMPANY
SAN PEDRO WATERFRONT HARBOR BOULEVARD FROM MINER ST
TO SP SLIP ROADWAY IMPROVEMENTS
SPECIFICATION NO. 2774**

SUMMARY:

Staff requests approval of an award of a contract (Contract) to Sully-Miller Contracting Company (Sully-Miller), to construct the San Pedro Waterfront Harbor Boulevard from Miner St. to SP Slip Roadway Improvements (Project). The Project consists of construction of a reconfigured Harbor Blvd. to include two travel lanes in each direction from the new Harbor Blvd. intersection at Miner Street to the SP Slip. The lowest responsive and responsible bidder is Sully-Miller, located at 135 S. State College Blvd., Ste. 400 Brea, CA 92821. The Contract amount of \$5,570,000, plus a 15% contingency, is \$6,405,500, and the Contract duration is 390 calendar days. Payment of expenses incurred under the Contract is the financial responsibility of the Harbor Department.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(i) of the Los Angeles City CEQA Guidelines;
2. Find that, in accordance with the Los Angeles City Charter Section 1022, work under the subject Contract can be performed more feasibly by an independent contractor rather than by City employees;

DATE: MARCH 3, 2020

PAGE 2 OF 5

**SUBJECT: SAN PEDRO WATERFRONT HARBOR BOULEVARD FROM MINER ST
TO SP SLIP ROADWAY IMPROVEMENTS SPECIFICATION NO. 2774**

3. Award and approve, Specification No. 2774 for Item Nos. 1 through 36 of the Bid Proposal Line Items to Sully-Miller for the amount of \$5,570,000; that a 15% contingency not included in the original Contract amount be applied for a total authorization of \$6,405,500 and authorize payment from the Harbor Department Construction Account. The Contract time for performance of the work shall be 390 calendar days from the Notice to Proceed;
4. Authorize the Executive Director to execute and the Board Secretary to attest to this Contract for and on behalf of the Board;
5. Delegate and authorize the Executive Director to adjust the final bid quantities and accept the construction Contract upon its completion in accordance with City Charter Section 655 (g); and
6. Adopt Resolution No. _____.

DISCUSSION:

Project Objectives - As part of the San Pedro Waterfront Program, this project will realign and expand Harbor Blvd. (formerly known as Sampson Way) starting at the new intersection at Miner St. and ending at the SP Slip, transforming it into a scenic boulevard along the west perimeter of the new San Pedro Public Market. This project will improve public access throughout the waterfront area to better connect the waterfront with downtown San Pedro and the surrounding community (Transmittal 1).

Project Description - This Project work includes design and construction of a reconfigured Harbor Blvd. to include two travel lanes in each direction from the new Harbor Blvd. intersection at Miner St. to the SP Slip. Work also includes utilities, street work, grading, paving, striping, lighting, street trees, landscaping, and other street improvements.

Construction Award Process - City of Los Angeles Charter Section 371 (a) - Competitive Bidding sets forth the procedure staff followed to award the Contract. For construction contracts such as this one, the Harbor Department publishes the Notice Inviting Bids in daily newspapers and trade publications circulated in the City of Los Angeles, as well as on the Port of Los Angeles website. The Harbor Department also conducts a pre-bid conference to answer questions related to the construction contract.

DATE: MARCH 3, 2020

PAGE 3 OF 5

**SUBJECT: SAN PEDRO WATERFRONT HARBOR BOULEVARD FROM MINER ST
TO SP SLIP ROADWAY IMPROVEMENTS SPECIFICATION NO. 2774**

Bidders submit bids through the Port's Construction Division Business Opportunity Network (CDBON) System. Opportunity to submit bids closes once a predetermined time is reached. After Bid Closing, Bid documents, Small Business Enterprise (SBE) and Very Small Business Enterprise (VSBE) participation, and other required documents are reviewed for compliance with Harbor Department requirements. Once all information is verified, and if the lowest bidder is deemed responsive, recommendation for award of the construction contract is made. If the apparent low bidder is found non-responsive, the next lowest bidder is reviewed.

In conformance with the City Charter section for competitive bidding, as stated above, the Notice of Inviting Bids for Specification No. 2774 was advertised on the Port of Los Angeles website, Dodge Construction, Daily Breeze, Eastside Journal, Metropolitan News Company, LA Watts Times, and in the Los Angeles Business Assistance Virtual Network to reach out to as many potential bidders as possible. A pre-bid meeting was held on December 17, 2019.

As authorized by the Executive Director on December 2, 2019, the Chief Harbor Engineer received seven bids for the subject Contract on January 28, 2020. Sully-Miller was declared the apparent lowest bidder with a bid of \$5,570,000. The Analysis of bid results with the companies and their respective bid amounts are included in Transmittal 2. Sully-Miller submitted the required documents in Section 00012.09 within the time specified in the specifications. Staff has verified Sully-Miller's state license, which was found to be in good standing.

The Harbor Department had set a minimum SBE participation level of 22%, of which 5% shall be VSBE participation. Sully-Miller has provided the required documents regarding their SBE and VSBE participation, and staff has calculated their SBE/VSBE participation to be 22.17% and 13.93% respectively (Transmittal 3).

The Contract is consistent with State of California Prevailing Wage provisions. The Contract is subject to the local business preference ordinance adopted by the Board on April 5, 2012, and Project Labor Agreement Resolution No.17-8164 as approved by the Board on September 7, 2017, and the Los Angeles City Council on December 5, 2017.

DATE: MARCH 3, 2020

PAGE 4 OF 5

**SUBJECT: SAN PEDRO WATERFRONT HARBOR BOULEVARD FROM MINER ST
TO SP SLIP ROADWAY IMPROVEMENTS SPECIFICATION NO. 2774**

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of the award of this construction Contract to Sully-Miller, which is an activity for which the underlying project has been previously assessed in the San Pedro Waterfront Project Environmental Impact Report (SCH# 2005061041), which was certified by the Board on September 29, 2009. Therefore, the Director of Environmental Management has determined that the proposed action has been previously evaluated pursuant to the requirements of CEQA under Article II Section 2(i) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Funds in the amount of \$166,650 are budgeted for the current FY 2019-2020 in Account No. 54510 (Capital Construction Services), Center No. 1169, and Program No. 624. Funds are anticipated to be expended as follows:

FY 2019-2020	\$ 166,650
FY 2020-2021	\$ 4,214,577
FY 2021-2022	\$ 2,024,273
TOTAL	\$ 6,405,500

Funds for future fiscal years will be requested and budgeted as part of the annual budget process, upon Board Approval.

Although Sully-Miller is not obligated to perform any work under the Contract in any fiscal year in which no appropriation for the Contract has been made, the Contractor agrees to resume performance of the work required by the Contract on the same terms and conditions for a period of 60 days after the end of the fiscal year if an appropriation therefore is approved within that 60-day period. The Contractor is responsible for maintaining all insurance and bonds during this 60-day period. The time for performance shall be extended during this period until the appropriation is made; however, such extension of time is not compensable.

If in any subsequent fiscal year funds are not appropriated for work required by the Contract, the Contract shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

DATE: MARCH 3, 2020

PAGE 5 OF 5

SUBJECT: SAN PEDRO WATERFRONT HARBOR BOULEVARD FROM MINER ST
TO SP SLIP ROADWAY IMPROVEMENTS SPECIFICATION NO. 2774

CITY ATTORNEY:

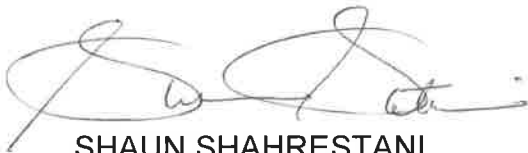
The Office of the City Attorney reviewed and approved Specification No. 2774 as to form and legality on December 2, 2019.

TRANSMITTALS:

1. Aerial Site Plan
2. Analysis of Bids
3. Contractor and Subcontractor List

FIS Approval:  _____

CA Approval:  _____



SHAUN SHAHRESTANI
Chief Harbor Engineer
Director of Construction



ANTONIO V. GIOIELLO, P.E.
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA
Executive Director

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